Consolidated Financial Statements of

SASKATCHEWAN INDIAN GAMING AUTHORITY INC.

Year ended March 31, 2001

SASKATCHEWAN

Provincial Auditor Saskatchewan

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AUDITOR'S REPORT

To the Members of the Saskatchewan Indian Gaming Authority Inc.

I have audited the consolidated balance sheet of the Saskatchewan Indian Gaming Authority Inc. as at March 31, 2001 and the consolidated statements of operations, uncommitted net proceeds of table operations, and cash flows for the year then ended. The Authority's management is responsible for preparing these financial statements. My responsibility is to express an opinion on these financial statements based on my audit.

I conducted my audit in accordance with Canadian generally accepted auditing standards. Those standards require that I plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In my opinion, these consolidated financial statements present fairly, in all material respects, the financial position of the Saskatchewan Indian Gaming Authority Inc. as at March 31, 2001 and the results of its operations and its cash flows for the year then ended in accordance with Canadian generally accepted accounting principles.

Fred Wendel, CMA, CA
Acting Provincial Auditor

Regina, Saskatchewan

June 15, 2001

SASKATCHEWAN INDIAN GAMING AUTHORITY INC.

Consolidated Balance Sheet

March 31, 2001, with comparative figures for 2000

	2001	2000
Assets		
Current assets:		
Cash	$ 12,796,077	$ 5,525,580
Accounts receivable (notes 5 and 16)	727,071	1,161,474
Inventory	381,932	473,477
Prepaid expenses	384,313	393,400
Deposits	25,576	27,848
	14,314,969	7,581,779
Capital assets (note 6)	5,432,145	6,776,369
	$ 19,747,114	$ 14,358,148
Liabilities and Surplus		
Current liabilities:		
Due to Saskatchewan Liquor and Gaming Authority (note 7)	$ 11,499,535	$ 5,396,146
Accounts payable and accrued liabilities	8,170,141	8,864,510
Current portion of obligation under capital lease (note 8)	-	20,054
	19,669,676	14,280,710
Surplus:		
Uncommitted net proceeds of table operations	77,438	77,438
Commitments (note 14)		
Contingencies (note 16)		
	$ 19,747,114	$ 14,358,148

See accompanying notes to consolidated financial statements.

On behalf of the Board:

_____ Director

_____ Director

SASKATCHEWAN INDIAN GAMING AUTHORITY INC.

Consolidated Statement of Operations

Year ended March 31, 2001, with comparative figures for 2000

	2001	2000
Revenues:		
Slot revenues	$ 64,208,436	$ 65,566,695
Table revenues	7,231,818	6,774,902
Ancillary operations gross profit	2,311,026	2,389,175
Other revenues (note 9)	527,639	292,702
	74,278,919	75,023,474
Expenditures:		
Salaries and benefits	26,471,445	26,382,048
Advertising and promotion	10,710,585	12,322,144
General and administrative (schedule 1)	7,163,984	9,116,945
Equipment rental	2,088,058	3,507,984
Goods and services tax	2,065,974	2,039,999
Building rent	2,579,900	2,425,961
Consulting (note 10)	1,572,709	1,581,859
Uniforms and drycleaning	579,057	579,796
Board expenses	331,745	521,917
Repairs and maintenance	352,294	402,794
Staff training	148,925	287,124
Gaming supplies	126,773	136,452
Provision for doubtful accounts (note 16)	113,865	680,409
Security	65,833	76,884
Conference	51,381	-
Interest	45,402	27,666
Gain on sale of capital assets	-	(3,584)
	54,467,930	60,086,398
Earnings before the following:	19,810,989	14,937,076
Saskatchewan Indian Gaming Licensing fees (note 11)	769,147	875,000
Site development costs (note 12)	398,684	677,816
	1,167,831	1,552,816
Excess of revenues over expenditures	$ 18,643,158	$ 13,384,260
Allocated as follows:		
Excess of slot revenues over expenditures payable to Saskatchewan Liquor and Gaming Authority	$ 18,643,158	$ 13,384,260
Excess of table revenues over expenditures retained for charitable or religious purposes	-	-
	$ 18,643,158	$ 13,384,260

See accompanying notes to consolidated financial statements.

SASKATCHEWAN INDIAN GAMING AUTHORITY INC.

Consolidated Statement of Uncommitted Net Proceeds of Table Operations

Year ended March 31, 2001, with comparative figures for 2000

	2001	2000
Balance, beginning of year	$ 77,438	$ 77,438
Excess (Deficiency) of table revenues over expenditures	(637,737)	(490,914)
	(560,299)	(413,476)
Deficiency of table operations allocated to slot operations	637,737	490,914
Balance, end of year	$ 77,438	$ 77,438

See accompanying notes to consolidated financial statements.

SASKATCHEWAN INDIAN GAMING AUTHORITY INC.

Consolidated Statement of Cash Flows

Year ended March 31, 2001, with comparative figures for 2000

	2001	2000
Cash flows from (used in):		
Operations:		
Excess of revenues over expenditures	$ 18,643,158	$ 13,384,260
Items not involving cash:		
Amortization	2,555,900	4,963,088
Gain on sale of capital assets	-	(3,584)
Change in non cash operating working capital:		
Accounts receivable	434,403	(175,703)
Inventory	91,545	(127,970)
Prepaid expenses	9,087	(29,688)
Deposits	2,272	100,101
Accounts payable and accrued liabilities	(694,369)	1,288,725
	21,041,996	19,399,229
Financing:		
Repayment of long-term debt	(20,054)	(35,013)
Investing:		
Purchase of capital assets	(1,211,676)	(3,961,526)
Proceeds on sale of capital assets	-	114,860
	(1,211,676)	(3,846,666)
Other:		
Transfer of funds to Saskatchewan Liquor and Gaming Authority	(12,539,769)	(14,384,987)
Increase (decrease) in cash	7,270,497	1,132,563
Cash, beginning of year	5,525,580	4,393,017
Cash, end of year	$ 12,796,077	$ 5,525,580

Cash consists of cash and cash floats.

See accompanying notes to consolidated financial statements.

1. General information:

Saskatchewan Indian Gaming Authority Inc. ("SIGA") is incorporated under the Non-Profit Corporations Act, 1995 of Saskatchewan as a Charitable Corporation. The Federation of Saskatchewan Indians Inc. ("FSIN") owns the only issued Class A Membership in SIGA. Class B Memberships in SIGA were issued to each of nine Tribal Councils in Saskatchewan that are recognized by the Saskatchewan Indian Gaming Commission of the FSIN. SIGA operates casinos in accordance with the Casino Operating Agreement with Saskatchewan Liquor and Gaming Authority ("SLGA").

The Casino Operating Agreement was signed on November 24, 1995 and expired on March 31, 2001. SLGA extended the Casino Operating Agreement until July 31, 2001. SIGA opened the Gold Eagle Casino in North Battleford and the Northern Lights Casino in Prince Albert in March of 1996. The Bear Claw Casino near Carlyle and the Painted Hand Casino in Yorkton were opened in November and December of 1996 respectively.

The Casino Operating Agreement generally provides for SIGA to remit to SLGA the net proceeds from the operation of the slot machines in the SIGA casinos. Net proceeds from the operation of slot machines are remitted to SLGA in accordance with a formula as defined in the Agreement. This formula provides for SIGA to remit to SLGA, on a weekly basis, one-half of the amount by which actual slot machine gaming revenue exceeds one-fifty-second of annual budgeted expenses from operations. Shortfalls in weekly slot machine gaming revenue as compared to budgeted expenses are recoverable against future remittances. The remaining one-half of the amount determined above is to be remitted to SLGA within one-hundred and eighty days of the applicable week. SIGA is entitled to recover, in any year, any deficiency of revenues over expenditures from the operation of licensed table games from the net proceeds earned from the operation of slot machines. Furthermore, the Agreement provides for SIGA to use any net proceeds from the operation of licensed table games for charitable or religious objects or purposes. Pursuant to this Agreement, if, at the end of any operating year, SIGA has not been fully reimbursed for amounts to which it is entitled for operation of casinos, such amounts may be recovered from future operations.

For the year ended March 31, 2001, the excess of revenues over expenditures from slot operations was $19,280,895 (2000 – excess of $13,875,174) and the deficiency for licensed table games was $637,737 (2000 – deficiency of $490,914). The net excess of revenues over expenditures of $18,643,158 (2000 – excess of $13,384,260) is payable to SLGA pursuant to the Casino Operating Agreement.

1. **General information - continued:**

In accordance with the Framework Agreement between FSIN and the Province of Saskatchewan signed on February 10, 1995 relating to the development of casinos in Saskatchewan, the net proceeds from SIGA casino slot operations paid to SLGA are distributed as follows:

- For casinos located on reserves, 50% to the First Nations Fund, 25% to the Province of Saskatchewan's General Revenue Fund and 25% to the Community Development Corporations established under the Agreement. In the event that these corporations have not been established or have ceased to operate, the funds are distributed to the First Nations Fund;
- For casinos not located on reserves, 50% to the First Nations Fund, 25% to the Province of Saskatchewan's General Revenue Fund and 25% to the Associated Entities Fund established under the Saskatchewan Gaming Corporation Act or a fund with similar purposes designated by the Province of Saskatchewan.

The Agreement also has terms which provide that if certain levels of net proceeds from SIGA casino slot operations are attained, the above distribution changes from 50% to 37.5% to the First Nations Fund and from 25% to 37.5% to the Province of Saskatchewan's General Revenue Fund.

As at March 31, 2001 the SIGA casinos in North Battleford and Prince Albert were not located on reserves and the SIGA casinos in Yorkton and near Carlyle were located on reserve. As at March 31, 2001 the cumulative excess (deficiency) of revenues over expenditures from slot operations for operation of SIGA casinos on reserve was as follows:

	Painted Hand	Bear Claw	Total
Balance, beginning of year	$ 2,517,553	$ (2,717,876)	$ (200,323)
Excess (deficiency) of revenues over expenditures	4,237,197	(469,937)	3,767,260
Balance, end of year	$ 6,754,750	$ (3,187,813)	$ 3,566,937

2. **Significant accounting policies:**

These financial statements have been prepared in accordance with Canadian generally accepted accounting principles. The following is a summary of significant accounting policies:

(a) Basis of consolidation:

The consolidated financial statements include the accounts of SIGA and its subsidiary companies - 621086 Saskatchewan Ltd. and 601616 Saskatchewan Ltd. On consolidation, all significant intercompany transactions and balances have been eliminated.

(b) Inventory:

Inventory is recorded at the lower of cost and net realizable value.

2. Significant accounting policies - continued:

(c) Capital assets:

Capital assets are recorded on the balance sheet at cost. Amortization is recorded in the accounts on a straight-line basis commencing in the month the asset is put in use, at rates expected to amortize the cost of the assets over their estimated useful lives as follows:

Asset	Rate
Leasehold improvements	term of lease
Security equipment	5 years
Gaming tables and equipment	5 years
Signage and interior design	5 years
Office furniture and equipment	5 years
Coin handling equipment	5 years
Computer equipment	5 years
Restaurant equipment	5 years
Automobiles	4 years
Artwork	5 years
Computer software	1 year

(d) Slot and table revenues:

Slot and table revenues represent the net win from those gaming activities calculated as the difference between amounts wagered and prizes paid by the casino.

(e) Commitment of net proceeds of table operations:

Liabilities are recorded when amounts are committed by the Board of Directors.

(f) Allocation of expenditures:

(i) Table operations

Expenditures allocated to table operations include actual direct expenditures, and an allocation of indirect expenditures based on the percentage of table revenues to total revenues on an individual casino site basis and a fixed portion of head office costs.

(ii) Slot machine operations

Expenditures allocated to slot machine operations include actual direct expenditures, an allocation of indirect expenditures based on the percentage of slot revenues to total revenues on an individual casino site basis and the remaining head office overhead after deducting the fixed portion of head office overhead allocated to table operations.

Slot machine operations expenditures are allocated to individual casino sites based on actual direct slot machine expenditures of each casino site. Head office overhead related to slot machine operations is allocated to casino sites based on the percentage of each casino site's slot revenues to total slot revenues.

2. Significant accounting policies - continued:

(iii) Ancillary operations

Expenditures allocated to ancillary operations include actual direct expenditures and an allocation of building rent and utilities based on the square footage ancillary operations occupy.

(h) Pension expenditures:

Employer matching contributions to the defined contribution pension plan for employees are recorded as expenditures as incurred.

(i) Use of estimates:

The preparation of financial statements in accordance with Canadian generally accepted accounting principles requires management to make estimates that affect the reported value of assets and liabilities and the disclosure of contingent liabilities and commitments at the date of the financial statements and the amounts of revenues and expenditures for the year then ended. The most significant estimates are related to the physical and economic lives of capital assets. Actual results could differ from those estimates.

3. Change in accounting policy:

In prior years, amortization was recorded at rates expected to amortize the cost of assets over the lesser of the remaining term of the Casino Operating Agreement or their useful lives. Due to the expiry and extension of the Operating Agreement (a change in circumstances), SIGA changed its policy to amortize the cost of assets over their useful lives. This change has been applied prospectively.

4. Pension plan:

Effective April 1, 1997, SIGA established a pension plan for employees. The plan is a defined contribution plan administered by Great West Life. Substantially all of SIGA's full-time employees participate in the Plan. SIGA's financial obligation is limited to matching the required amounts contributed by employees, which totaled $815,780 (2000 – $698,570). Employees are required to contribute 4% of salary to the plan.

5. Accounts receivable:

	2001	2000
Receivables (note 15)	$ 262,243	$ 675,512
Advances to suppliers, contractors and employees (note 15)	464,828	485,962
Recoverable from CEO (note 16)	784,853	680,409
Allowance for doubtful accounts (note 16)	(784,853)	(680,409)
	$ 727,071	$ 1,161,474

6. Capital assets:

			2001	2000
	Cost	Accumulated Amortization	Net Book Value	Net Book Value
Leasehold improvements	$ 7,140,350	$ 4,833,686	$ 2,306,664	$ 2,834,785
Office furniture and equipment	2,407,777	1,444,696	963,081	1,087,128
Security equipment	2,022,484	1,615,359	407,125	587,955
Signage and interior design	1,310,461	946,746	363,715	423,092
Gaming tables and equipment	1,194,441	1,075,302	119,139	279,142
Restaurant equipment	848,249	408,889	439,360	533,236
Coin handling equipment	843,324	661,890	181,434	246,450
Automobiles	498,568	395,209	103,359	244,060
Computer equipment	735,691	457,433	278,258	252,020
Artwork	429,228	271,714	157,514	165,412
Computer software	224,355	111,859	112,496	44,278
	17,654,928	12,222,783	5,432,145	6,697,558
Goodwill	154,936	154,936	-	78,811
	$ 17,809,864	$ 12,377,719	$ 5,432,145	$ 6,776,369

7. Due to Saskatchewan Liquor and Gaming Authority:

	2001	2000
Excess of revenues over expenditures related to slot operations	$ 19,280,895	$13,875,174
Deficiency of revenues over expenditures related to table operations	(637,737)	(490,914)
	18,643,158	13,384,260
Balance, beginning of year	5,396,146	6,396,873
Transfer of funds to Saskatchewan Liquor and Gaming Authority	(12,539,769)	(14,384,987)
Balance, end of year	$ 11,499,535	$ 5,396,146

8. Obligation under capital lease:

	2001	2000
Obligation under capital lease, future minimum lease payments $0 (2000 - $21,144) of which $0 (2000 - $1,090) represents interest.	$ -	$ 20,054
Less current portion	-	20,054
	$ –	$ -

9. Other revenues:

Other revenues consist of the following:

	2001	2000
Automated teller service charges	$ 369,611	$ 225,576
Interest	107,814	67,126
Cheque Handling fee	50,214	-
	$ 527,639	$ 292,702

10. Consulting expenditures:

Consulting expenditures consist of the following:

	2001	2000
Western Canada Lotteries Corporation	$ 721,803	$ 703,419
Other	655,656	616,541
Bear Claw and Associates	20,250	136,899
FSIN	175,000	125,000
	$ 1,572,709	$ 1,581,859

11. Saskatchewan Indian Gaming Licensing:

During the year, SIGA provided Saskatchewan Indian Gaming Licensing (SIGL) grants totaling $769,147 (2000 - $875,000) as approved by Saskatchewan Liquor and Gaming Authority. Under the Framework Agreement, SIGL was established by the Federation of Saskatchewan Indian Nations. Subject to the approval of Saskatchewan Liquor and Gaming Authority, the purpose of SIGL was to issue licenses to charitable and religious organizations located on reserves and to regulate charitable lotteries on reserves in Saskatchewan. SIGL has not yet been authorized to issue licenses.

12. Site development costs:

With the approval of Saskatchewan Liquor and Gaming Authority, during the year SIGA provided grants totaling $398,684 (2000 - $677,816) to certain First Nations to help obtain reserve status for those sites where certain SIGA casinos are located. SIGA did not place any specific conditions on these grants.

13. Fair Value:

Cash, accounts receivable, prepaid expenses, deposits, due to Saskatchewan Liquor and Gaming Authority, and accounts payable and accrued liabilities are all short-term in nature and as such their carrying value approximates fair value.

14. Commitments:

SIGA has obligations under operating leases for buildings, equipment and vehicles. The minimum lease payments required under these operating leases over the next five years are as follows:

2002	$ 2,236,000
2003	2,149,000
2004	2,107,000
2005	2,074,000
2006	1,994,000

The Casino Operating Agreement requires SLGA to supply slot machines and the slot management system to SIGA for use in its casinos and for SIGA to reimburse to SLGA the cost of these machines over the life of the operating agreement. Included in equipment rental expense is $1,653,517 (2000 – $3,206,898) regarding slot machines and the slot machine management system. SIGA estimates total costs for the year ended March 31, 2002, based on the number of machines currently in use, will be approximately $1,500,000.

SIGA has committed to providing sponsorship funding to various agencies.

Commitments for ongoing sponsorships as at March 31, 2001 are as follows:

2002	$ 428,000
2003	288,000
2004	238,000
2005	148,000
2006	100,000

15. Related party transactions:

Significant related parties to SIGA include: FSIN (holding the Class A membership in SIGA) and entities related to FSIN including Saskatchewan Indian Institute of Technologies, National Indian Financial Corporation and Saskatchewan Indian Gaming Licensing; the Tribal Councils of Saskatchewan (and their related entities) holding Class B memberships in SIGA; and those First Nations with which SIGA has agreements to lease buildings and equipment. The land and buildings on which each casino is physically located are owned or leased (in the case of land located on reserve) by the local tribal council or a First Nation or entities related to the local tribal council or a First Nation. SIGA operates the individual casinos on land and in buildings leased from these related entities and is responsible for leasehold improvements. SIGA also supports other First Nations enterprises when purchasing supplies or services. Expenditures to related parties throughout the year and balances outstanding with related parties at March 31, 2001 were incurred at exchange amounts agreed upon between the parties.

15. Related party transactions - continued:

The following are balances outstanding with related parties at March 31, 2001 with comparison to the previous year:

	2001	2000
Accounts receivable and advances:		
North West Nations Gaming Association	$ 163,048	$ 567,803
First Nations Heritage Corporation	20,000	20,000
Prince Albert Development Corporation	208,326	214,673
Lucky Seven Marketing	50,090	-
Sakimay First Nations	-	135,255
White Bear First Nations	6,000	6,000
Accounts payable and accrued liabilities:		
Prince Albert Development Corporation	262,956	25,063
Prince Albert Inn	8,271	2,113
212143 Saskatchewan Ltd.	1,750	6,540
North West Nations Gaming Association	191,793	85,707
First Nations Heritage Corporation	20,511	69,200
Battlefords Tribal Council	11,930	11,930
General Plumbing & Heating	-	3,972
Lucky Seven Marketing	126,644	-
Sakimay Developments Inc.	177,090	297,841
Saskatchewan Indian Gaming Licensing (note 11)	550,399	218,750
Saskatoon Tribal Council	73,684	169,049
White Bear First Nations	54,134	1,511
FSIN	175,244	4,133
Saskatchewan Indian Institute of Technologies	5,528	5,528

North West Nations Gaming Association ("NWNGA") is disputing certain amounts included in accounts receivable and advances. SIGA and NWNGA have undertaken a process to resolve this dispute, however the results of this process are unknown at this time.

Any changes to the financial position and results of operation of SIGA that may occur as a result of this process will be accounted for in the period of settlement.

15. Related party transactions - continued:

Significant transactions with related parties throughout the year with comparison to the previous year are as follows:

	2001	2000
North West Nations Gaming Association:		
Advertising and promotion	$1,543,726	$ 2,883,407
First Nations Heritage Corporation:		
Building rent	961,180	891,189
Capital asset purchases	-	609,134
Occupancy costs and utilities	39,664	117,765
Battlefords Tribal Council:		
Site development costs (note 12)	125,000	75,000
Prince Albert Development Corporation:		
Advertising and promotion	2,511,057	3,089,817
Capital asset purchases	-	168,538
Prince Albert Inn:		
Travel and sustenance	37,169	32,396
Prince Albert Casino Ventures Inc.:		
Building rent	1,023,506	1,000,007
Saskatchewan Indian Gaming Licensing (note 11):	769,147	875,000
White Bear First Nations:		
Building rent	450,000	450,000
Property taxes	48,289	49,437
Sakimay Developments Inc.:		
Building rent	276,844	316,739
Peter Ballantyne Cree Nation:		
Site development costs (note 12)	100,000	250,000
Saskatoon Tribal Council:		
Site development costs (note 12)	73,684	167,728
Federation of Saskatchewan Indians, Inc.:		
Consulting	175,000	125,000
National Indian Financial Corporation:		
Building rent	84,000	84,000
Saskatchewan Indian Institute of Technologies:		
Building rent	26,000	14,082
Capital asset purchases	-	30,000
Lucky Seven Marketing:		
Advertising and promotion	1,601,631	-

15. Related party transactions - continued:

	2001	2000
Keeseekoose First Nation: Site development costs (note 12)	$ -	$ 75,000
Yorkton Tribal Council: Site development costs (note 12)	-	60,000
File Hills Qu-Appelle Tribal Council: Site development costs (note 12)	-	50,088
Kakewistahaw First Nation: Site development costs (note 12)	100,000	-

16. Contingencies and subsequent events:

On June 20, 2000, SLGA announced the formation of an audit team to perform a special audit of SIGA. This special audit team was formed by SLGA to investigate the circumstances surrounding advances made by SIGA to its Chief Executive Officer ("CEO"), concerns of SLGA related to SIGA's contracts with related parties, conflict of interest policies and other financial and control matters within SIGA.

On November 15, 2000, the Office of the Provincial Auditor of Saskatchewan released the Report of the Provincial Auditor (the "Report") to the Legislative Assembly of Saskatchewan. This Report set out their conclusions, findings and recommendations pertaining to their special audit of SIGA mentioned above. In summary, the Report stated that SIGA's governance and financial management practices were unacceptable resulting in the improper use of public money. The Report recommends SLGA determine what SIGA expenses are not reasonable and recover that money from the First Nations Fund as provided for by the agreements between FSIN and the Province of Saskatchewan.

SLGA determined the amount of expenses that were not considered reasonable. A summary of these expenses is as follows:

Expenses of the CEO	$ 855,354
Advertising and promotion	811,639
Consulting payments	268,910
Board expenses	254,629
Travel expenses	107,109
	$ 2,297,641

16. Contingencies and subsequent events - continued:

The above amounts include $1,998,730 relating to the periods prior to March 31, 2000 and $298,911 relating to the current period.

Amounts relating to expenses of the CEO for the period ending March 31, 2001 have been recorded as accounts receivable in the amount of $104,444. Uncertainty exists related to the ultimate recovery of these amounts and, consequently, SIGA has provided a full allowance against their recovery.

SIGA's assets of $53,750 retained by the CEO have not been reclassified from capital assets and additional accounts receivable have not been set up. In June 2001, SIGA recovered $43,000 of these assets.

The remaining $140,717 has been expensed in the consolidated statement of operations, in the category to which they relate.

In connection with the special audit, SLGA also suspended negotiations with SIGA with respect to extension of the Casino Operating Agreement which expired on March 31, 2001. On March 31, 2001, SLGA extended the Casino Operating Agreement until July 31, 2001, however, there is no assurance that the Agreement will be further extended. If the Agreement is not further extended, SIGA would be prohibited from operation of the casinos and all gaming revenues from the date of termination, are to be forwarded to SLGA. Should the Agreement not be extended, the impact on the carrying values of assets and liabilities and obligations under operating leases (note 9) could be material. Any changes to the financial position and results of operation of SIGA that may occur as a result of termination of the Agreement will be accounted for in the period in which management determines that such termination is likely.

17. Segmented Information:

SIGA operates in three segments – table operations, slot operations and ancillary operations.

The following table shows key amounts by segment. Inter-segment net sales of $282,858 (2000 - $39,880) have been eliminated from this schedule.

	SEGMENTS				
	2001				2000
	Slot operations	Table operations	Ancillary Operations	Total	Total
Revenues/Sales	$ 64,736,075	$ 7,231,818	$ 4,386,725	$76,354,618	$ 77,267,454
Cost of Sales	—	—	2,075,699	2,075,699	2,243,980
Gross Profit	64,736,075	7,231,818	2,311,026	74,278,919	75,023,474
Total expenses	43,445,923	7,869,555	4,320,283	55,635,761	61,639,214
Excess (deficiency) of revenues over expenditures	$ 21,290,152	$ (637,737)	$ (2,009,257)	$18,643,158	$ 13,384,260

18. Comparative figures:

Certain of the 2000 balances, presented for comparative purposes, have been reclassified to conform to the current year presentation. The comparative figures were audited by another firm of public accountants.

Schedule 1

SASKATCHEWAN INDIAN GAMING AUTHORITY INC.

Schedule of General and Administrative Expenditures

Year ended March 31, 2001, with comparative figures for 2000

	2001	2000
Amortization	$ 2,555,900	$ 4,963,088
Travel and sustenance	912,126	914,945
Occupancy costs and utilities	938,198	844,551
Printing, postage and stationary	781,849	834,880
Legal	437,042	271,132
Telephone	454,183	245,696
Janitorial services and supplies	252,596	239,985
Property taxes	265,712	235,928
Insurance	200,024	185,891
Bank charges	123,958	138,572
Licenses	124,292	111,058
Accounting, audit and related services	50,471	48,350
Freight and delivery	34,068	43,749
Internal controls monitoring	13,845	22,511
Bad debts	-	3,140
Miscellaneous	19,720	13,469
	$ 7,163,984	$9,116,945